

Idaho Legislative Audits
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Idaho Board of Professional Geologists

Management Report on Internal Control

Issued: January January 12, 2006
Fiscal Year: 2003, 2004, and 2005



EXECUTIVE SUMMARY LEGISLATIVE AUDITS

IDAHO BOARD OF PROFESSIONAL GEOLOGISTS

PURPOSE AND SCOPE. In planning and making our audit of the statewide basic financial statements, we performed certain audit procedures to evaluate the effectiveness of the Idaho Board of Professional Geologists' internal control design and operation. Consequently, the limited scope of our procedures does not allow us to give an opinion on the Board's internal control system. Accordingly, we do not express an opinion or ensure that all instances of internal control weaknesses were disclosed.

Our purpose was to indicate where internal controls could be strengthened to help ensure accurate financial statements and data. This evaluation, together with other evaluations and various audit procedures applied at other agencies, allows us to express an opinion on the statewide basic financial statements prepared by the State Controller's Office.

CONCLUSION. We noted no matters involving the internal control over the Board's financial reporting or its operation that we considered to be material weaknesses. However, our consideration of internal controls would not necessarily disclose all matters considered to be a material weakness.

FINDINGS AND RECOMMENDATIONS. There are no findings and recommendations in this report.

PRIOR FINDINGS AND RECOMMENDATIONS. There was one finding and recommendation in the prior report. The status of this finding is discussed below.

PRIOR FINDING #1. Deposits and payments were not always made in a timely manner, and late penalty assessments were not well-documented. The Board did not always make deposits in a timely manner, pay vendors in a timely manner, or keep adequate records to show that the Board assessed late payment penalties in accordance with Idaho Code.

The Board has since made improvements to its accounting and administrative processes. We found no instances in which deposits were not made in a timely manner, or vendors not paid in a timely manner. Also, the Board now keeps records to show that it assesses late payment penalties in accordance with Idaho Code. **Status: CLOSED**

AGENCY RESPONSE. The Board has reviewed the report and is in general agreement with its contents. The Board's complete response is included in the full report.

FINANCIAL SUMMARY. The Board is funded from fees charged to license geology professionals. There are no General Funds appropriated to the Board. Licensing fees are used to administer State laws regulating geology practices. Although an opinion is not given on the financial data presented in this report, one is given on all State funds in the statewide *Comprehensive Annual Financial Report* that includes the financial data presented here.

Idaho Board of Professional Geologists – Fund 0229

	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>
Beginning Cash Balance	\$53,978	\$52,336	\$52,855
Receipts	<u>41,432</u>	<u>43,317</u>	<u>40,290</u>
Total Funds Available	\$95,410	\$95,653	\$93,145
Less Disbursements:			
Personnel Costs	25,482	25,804	26,765
Operating Expenses	17,393	16,994	13,998
Capital Outlay	<u>199</u>	<u>0</u>	<u>1,597</u>
Total Disbursements	<u>\$43,074</u>	<u>\$42,798</u>	<u>\$42,360</u>
Ending Cash Balance	<u><u>\$52,336</u></u>	<u><u>\$52,855</u></u>	<u><u>\$50,785</u></u>

OTHER ISSUES. We discussed other, less important issues which, if changed, would improve internal control, ensure compliance, or improve efficiency.

This report is intended solely for the information and use of the Idaho Board of Professional Geologists and the Idaho Legislature and is not intended to be, and should not be, used by anyone other than these specified parties.

We appreciate the cooperation and assistance given to us by the Board's executive secretary, Margaret Odedo.

QUESTIONS CONCERNING THIS DOCUMENT SHOULD BE DIRECTED TO:

Ray Ineck, CGFM, Supervisor, Legislative Audits

Thomas Haddock, CPA, CGFM, Managing Auditor

Report IC43005

<p>For a copy of the entire audit report , contact Legislative Services Office, Audit Division, State Capitol Building, 700 W. Jefferson Street, P.O. Box 83720, Boise, Idaho 83720-0054, or call 208-334-3540.</p>
